



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-1187/P1
MDK&PG:wlj&jld:all

P2

DOA:.....Boggs, BB0258 - Create authority for UW-Madison

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

Do Not Gen

1

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

EDUCATION

HIGHER EDUCATION

Currently, the UW System consists of 13 four-year institutions, including the UW-Madison, and 13 two-year colleges. The UW System is governed by the Board of Regents, which consists of the state superintendent of public instruction, the president of the technical college system, 14 citizen members, and two students. The latter 16 members are appointed by the governor and confirmed by the senate. There is a shared, hierarchical system of governance for the UW System: the Board of Regents has primary responsibility, followed by the UW System president, the chancellors of the institutions, the faculty, and the academic staff and students. Three boards are created in or attached to the UW System: the Environmental Education Board; the Laboratory of Hygiene Board, and the Veterinary Diagnostic Laboratory.

This bill creates an authority entitled the University of Wisconsin-Madison, consisting of the current UW-Madison. The authority is governed by a Board of Trustees, consisting of 21 members, 11 of whom are appointed by the governor, and the chancellor, who serves as a nonvoting member. The chancellor is appointed by the Board of Trustees to serve at its pleasure and is the chief executive officer of the authority. The shared governance system is preserved.

The bill transfers all assets and liabilities of the UW-Madison, including real property, and all incumbent UW-Madison employees, to the authority. Until July

1, 2012, the authority must adhere to the terms of any collective bargaining agreement covering the employees, and the authority is considered an agency under the state employment relations laws for all purposes. Beginning July 1, 2012, the authority must implement its own personnel system. Tenured faculty at the UW-Madison retain their tenure at the authority. All contracts entered into by the Board of Regents that are primarily related to the operation of the UW-Madison, including the contracts with the Board of Directors of the UW Hospitals and Clinics Authority, are transferred to the authority's Board of Trustees.

The bill does not require the Board of Trustees to promulgate administrative rules except for rules relating to conduct on university property. The bill authorizes the Board of Trustees to condemn property.

Current law prohibits the Board of Regents of the UW System from increasing resident undergraduate tuition beyond an amount sufficient to fund certain specified costs and activities, including the amounts specified in the state budget act, the approved recommendations of the director of the Office of State Employment Relations for staff compensation and fringe benefits, and distance education. This bill places no limits on the amount of tuition that the authority may charge.

The authority is not a state agency and therefore is not required to deposit moneys that it receives into the state treasury. However, it must transfer daily to the state treasurer for deposit into the local government pooled-investment fund the collected cash balance from all sources except gifts, grants, and donations. The bill authorizes the Board of Trustees to transfer gifts, grants, and donations to the UW Foundation.

The bill abolishes the Laboratory of Hygiene Board and the Veterinary Diagnostic Laboratory Board and transfers their functions to the authority.

See also STATE GOVERNMENT — STATE BUILDING PLAN and OTHER STATE GOVERNMENT.

solid cap →

STATE GOVERNMENT

Program
CS →

STATE BUILDING PROGRAM

Currently, with limited exceptions, each state agency, including the UW System, must submit for approval of the Building Commission any contract for the engineering, design, construction, reconstruction, remodeling, or expansion of a building, structure, or facility if the project cost exceeds \$150,000; if the project cost exceeds \$500,000, the project must be enumerated in the Authorized State Building Program, which is set forth by law. Currently, DOA manages all engineering, design, and construction work for state agencies, including the UW System, but DOA may delegate its management authority to an agency for a specific project. If management authority for a project is delegated, the agency to which authority is delegated is subject to the same requirements that apply to DOA if DOA manages the project directly. With limited exceptions, DOA must provide public notice of proposed work and let contracts to the lowest responsible bidder. Plans and specifications for all work on UW projects are subject to approval of DOA. DOA may assess and collect from state agencies, including the UW System, a construction project management fee to cover its costs in managing each project. With limited exceptions, each engineering, design, or construction contract for a state building,

structure, or facility is subject to approval of the secretary of administration and, if the contract involves an expenditure of more than \$60,000, the approval of the governor. DOA must grant preference to Wisconsin-based firms under certain conditions and must attempt to ensure that 5 percent of the total amount that the state expends on DOA-supervised projects in each fiscal year is paid to minority-owned businesses and that a portion of that amount is also paid to disabled veteran-owned businesses.

This bill deletes DOA's and the governor's responsibility for management and supervision of, and approval of plans, specifications, and contracts for, any building, structure, or facility to be constructed, reconstructed, remodeled, or expanded for the University of Wisconsin-Madison if the project is funded entirely from sources other than state general purpose revenue or general fund supported bonding. The bill also deletes the requirement for approval of the Building Commission on any such project if the cost of the project does not exceed \$500,000. Under the bill, the University of Wisconsin-Madison is not required to adhere to any of the requirements that currently apply to DOA with respect to any such project and is not subject to assessment by DOA for its construction management services.

Currently, the UW System may not accept a gift or grant of real property valued in excess of \$30,000 or any gift of a building, structure, or facility that is constructed for the benefit of the UW System without approval of the Building Commission. Under the bill, this restriction does not apply to the University of Wisconsin-Madison. Currently, no state agency, including the UW System, may permit a facility that would be privately owned or operated to be constructed on state-owned land without approval of the Building Commission. Under the bill, this restriction does not apply to the University of Wisconsin-Madison.

OTHER STATE GOVERNMENT

Currently, except as otherwise provided by law, the records of a state or local governmental officer or entity are subject to the right of public inspection and copying unless the custodian demonstrates that the public interest in withholding access to the information in a record outweighs the strong public interest in providing access to that information. This bill permits any public institution of higher education to withhold from access any information that is produced or collected by or for the faculty or staff of the institution in the conduct of, or as a result of, study or research on a commercial, scientific, or technical subject until that information is publicly disseminated or patented.

Currently, DOA manages the state's risk management program, including worker's compensation and liability insurance, and annually assesses each state agency, including the UW System, for its risk management costs. This bill permits the University of Wisconsin-Madison, with 6 months' notice, to opt in or out of the state's risk management program for any fiscal year.

Current law generally authorizes state agencies to purchase materials, supplies, or equipment under certain circumstances. With some exceptions, purchases for which the estimated cost exceeds \$25,000 require bids to be invited or proposals to be solicited and the order must be awarded to the lowest responsible bidder or most competitive sealed proposal. Under this bill, the University of

Wisconsin-Madison may make a purchase without inviting bids or proposals if the estimated cost does not exceed \$50,000.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 13.106 (title) of the statutes is amended to read:

2 **13.106 (title) ~~Medical College of Wisconsin and UW-Madison Medical~~**
3 **~~School~~ school reports.**

4 **SECTION 2.** 13.106 (1) (intro.) of the statutes is amended to read:

5 13.106 (1) (intro.) The Medical College of Wisconsin and the University of
6 ~~Wisconsin-Madison Medical~~ Wisconsin School of Medicine and Public Health shall
7 biennially report to the governor and the joint committee on finance on the:

8 **SECTION 3.** 13.106 (2) of the statutes is amended to read:

9 13.106 (2) The Medical College of Wisconsin and the University of
10 ~~Wisconsin-Madison Medical~~ Wisconsin School of Medicine and Public Health shall
11 submit a biennial report containing financial summaries for the college and school
12 to the governor and the joint committee on finance, in a consistent format and
13 methodology to be developed in consultation with the medical education review
14 committee under s. 39.16.

15 **SECTION 4.** 13.106 (3) (intro.) of the statutes is amended to read:

16 13.106 (3) (intro.) By October 15 of each even-numbered year, the Medical
17 College of Wisconsin and the University of ~~Wisconsin-Madison Medical~~ Wisconsin
18 School of Medicine and Public Health shall submit a report to the governor and to
19 the chief clerk of each house of the legislature for distribution to the legislature under
20 s. 13.172 (2) that provides information on all of the following:

1 **SECTION 5.** 13.172 (1) of the statutes, as affected by 2011 Wisconsin Act 7, is
2 amended to read:

3 13.172 (1) In this section, "agency" means an office, department, agency,
4 institution of higher education, association, society, or other body in state
5 government created or authorized to be created by the constitution or any law, that
6 is entitled to expend moneys appropriated by law, including the legislature and the
7 courts, and any authority created in subch. II of ch. 114 or subch. III of ch. 149 or in
8 ch. 37, 52, 231, 233, 234, 238, or 279.

 ****NOTE: Section 13.172 specifies the manner for state agencies to provide reports
to the legislature that are required by other statutes. The above applies s. 13.172 to the
UW.

9 **SECTION 6.** 13.40 (3) (i) 4. of the statutes is created to read:

10 13.40 (3) (i) 4. The Board of Trustees of the University of Wisconsin–Madison.

 ****NOTE: It's unnecessary to include the UW in s. 13.40 (3m), because the provision
is obsolete.

11 **SECTION 7.** 13.48 (1) of the statutes is amended to read:

12 13.48 (1) **POLICY.** The legislature finds and determines that it is necessary to
13 improve the adequacy of the public building facilities that are required by the various
14 state agencies and the University of Wisconsin–Madison including the educational
15 institutions, for the proper performance of their duties and functions, and that it is
16 in the interest of economy, efficiency and the public welfare that such improvement
17 be accomplished by means of a long-range public building program, with funds to be
18 provided by successive legislatures. The long-range program shall include the
19 necessary lands, new buildings, and all facilities and equipment required and also
20 the remodeling, reconstruction, maintenance and reequipping of existing buildings
21 and facilities, as determined by the building commission.

22 **SECTION 8.** 13.48 (1m) (b) of the statutes is amended to read:

1 13.48 (1m) (b) The long-range public building program shall recognize the
2 importance of historic properties and shall include a program of preservation and
3 restoration of those historic properties under the control of the state and the
4 University of Wisconsin-Madison as provided in s. 44.41, including criteria for
5 determining which historic properties should be preserved and restored.

6 **SECTION 9.** 13.48 (1m) (c) of the statutes is amended to read:

7 13.48 (1m) (c) The long-range public building program shall require the
8 biennial review of each historic property under the control of the state and the
9 University of Wisconsin-Madison to determine the current uses of the property and
10 compliance by state agency compliance agencies and the University of
11 Wisconsin-Madison ²compliance with the requirements of the long-range program.

12 **SECTION 10.** 13.48 (1m) (d) of the statutes is amended to read:

13 13.48 (1m) (d) The building commission shall allocate, from that portion of the
14 state building program funding which is available to all state agencies and the
15 University of Wisconsin-Madison, an amount of funds deemed necessary by the
16 building commission for the preservation, restoration and maintenance of historic
17 properties under the control of the state and the University of Wisconsin-Madison.

18 **SECTION 11.** 13.48 (2) (b) 2. of the statutes is amended to read:

19 13.48 (2) (b) 2. In the construction of all new buildings or additions to existing
20 buildings used for housing state offices and constructed for general state purposes
21 and not specially for the use of any particular state agency or the University of
22 Wisconsin-Madison, the building commission shall function with respect to such
23 construction in the same manner as other state agencies function with respect to
24 buildings constructed for such agencies. The building commission shall fix the rental
25 for all space in such buildings, and, notwithstanding any other statute, may remove

1 to any building any department housed in the state capitol. After the completion of
2 such buildings, they shall be in the charge of the department of administration as
3 provided by s. 16.84.

4 **SECTION 12.** 13.48 (2) (d) of the statutes is repealed. .

5 **SECTION 13.** 13.48 (2) (e) 2. of the statutes is amended to read:

6 13.48 (2) (e) 2. It is the intent of the legislature that it be given a complete
7 picture of the results of its past decisions regarding the state's state building program
8 which will serve as background for making further decisions.

9 **SECTION 14.** 13.48 (2) (g) of the statutes is amended to read:

10 13.48 (2) (g) The building commission shall review assessments on property of
11 the state and the University of Wisconsin-Madison under s. 66.0703 (6).

12 **SECTION 15.** 13.48 (3) of the statutes is amended to read:

13 13.48 (3) STATE BUILDING TRUST FUND. In the interest of the continuity of the
14 program, the moneys appropriated to the state building trust fund under s. 20.867
15 (2) (f) shall be retained as a nonlapsing building depreciation reserve. Such moneys
16 shall be deposited into the state building trust fund. At such times as the building
17 commission directs, or in emergency situations under s. 16.855 (16) (b), the governor
18 shall authorize releases from this fund to become available for projects of state
19 agencies or the University of Wisconsin-Madison and shall direct the department of
20 administration to allocate from this fund such amounts as are approved for these
21 projects. In issuing such directions, the building commission shall consider the cash
22 balance in the state building trust fund, the necessity and urgency of the proposed
23 improvement, employment conditions and availability of materials in the locality in
24 which the improvement is to be made. The building commission may authorize any
25 project costing \$500,000 or less for any state agency or the University of

1 Wisconsin-Madison in accordance with priorities to be established by the building
2 commission and may adjust the priorities by deleting, substituting or adding new
3 projects as needed to reflect changing program needs and unforeseen circumstances.
4 The building commission may enter into contracts for the construction of buildings
5 for any state agency or the University of Wisconsin-Madison, except a project
6 authorized under sub. (10) (c), and shall be responsible for accounting for all funds
7 released to projects. The building commission may designate the department of
8 administration or the agency for which the project is constructed to act as its
9 representative in such accounting.

10 SECTION 16. 13.48 (4) of the statutes is amended to read:

11 ~~CS~~ AND THE UNIVERSITY OF WISCONSIN-MADISON
12 13.48 (4) STATE AGENCIES TO REPORT PROPOSED PROJECTS. Each Whenever any
13 state agency ~~contemplating~~ or the University of Wisconsin-Madison contemplates
14 a project under ~~this the state building program, it shall report its proposed projects~~
15 the project to the building commission. The report shall be made on such date and
16 in such manner as the building commission prescribes. This subsection does not
apply to projects identified in sub. (10) (c).

17 SECTION 17. 13.48 (6) of the statutes is amended to read:

18 13.48 (6) REVIEW OF PROJECTS. All reports submitted as provided by sub. (4)
19 shall be reviewed by the building commission, which shall make its report as soon
20 after November 20 as is possible. Such report shall include specific
21 recommendations and establish priorities for the next 3 biennia from among all
22 projects submitted which the building commission deems essential and shall
23 recommend additional appropriations if necessary for the execution thereof. The
24 building commission shall include in the report any projects proposed by the state
25 fair park board involving a cost of not more than \$250,000, together with the method

1 of financing proposed for those projects by the board, without recommendation. The
2 building commission shall include in its report an appraisal and recommendation of
3 available and alternative methods of financing buildings for the use of state agencies
4 and the University of Wisconsin-Madison and shall file copies of its report with the
5 governor-elect.

6 **SECTION 18.** 13.48 (10) (a) of the statutes is amended to read:

7 13.48 (10) (a) ~~No~~ Except as provided in par. (c), no state board, agency, officer,
8 department, commission or body corporate, including the University of
9 Wisconsin-Madison, may enter into a contract for the construction, reconstruction,
10 remodeling of or addition to any building, structure, or facility, in connection with
11 any building project which involves a cost in excess of \$150,000 without completion
12 of final plans and arrangement for supervision of construction and prior approval by
13 the building commission. The building commission may not approve a contract for
14 the construction, reconstruction, renovation or remodeling of or an addition to a state
15 building as defined in s. 44.51 (2) unless it determines that s. 44.57 has been complied
16 with or does not apply. This section applies to the department of transportation only
17 in respect to buildings, structures and facilities to be used for administrative or
18 operating functions, including buildings, land and equipment to be used for the
19 motor vehicle emission inspection and maintenance program under s. 110.20.

20 **SECTION 19.** 13.48 (10) (c) of the statutes is created to read:

21 13.48 (10) (c) Paragraph (a) does not apply to any contract for a building project
22 involving a cost of not more than \$500,000 to be constructed for the University of
23 Wisconsin-Madison that is funded entirely from sources other than general purpose
24 revenue or general fund supported borrowing.

25 **SECTION 20.** 13.48 (12) (b) 6. of the statutes is created to read:

1 13.48 (12) (b) 6. A facility constructed by or for the University of
2 Wisconsin-Madison.

3 **SECTION 21.** 13.48 (13) (a) of the statutes is amended to read:

4 13.48 (13) (a) Except as provided in par. (b) or (c), every building, structure or
5 facility that is constructed for the benefit of or use of the state, any state agency,
6 board, commission or department, the University of Wisconsin-Madison, the
7 University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational
8 System Authority, the Wisconsin Quality Home Care Authority, or any local
9 professional baseball park district created under subch. III of ch. 229 if the
10 construction is undertaken by the department of administration on behalf of the
11 district, shall be in compliance with all applicable state laws, rules, codes and
12 regulations but the construction is not subject to the ordinances or regulations of the
13 municipality in which the construction takes place except zoning, including without
14 limitation because of enumeration ordinances or regulations relating to materials
15 used, permits, supervision of construction or installation, payment of permit fees, or
16 other restrictions.

17 **SECTION 22.** 13.48 (13) (a) of the statutes, as affected by 2011 Wisconsin Act 7,
18 is amended to read:

19 13.48 (13) (a) Except as provided in par. (b) ~~or~~, (c) or (d), every building,
20 structure or facility that is constructed for the benefit of or use of the state, any state
21 agency, board, commission or department, the University of Wisconsin Hospitals and
22 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
23 Quality Home Care Authority, the Wisconsin Economic Development Corporation,
24 or any local professional baseball park district created under subch. III of ch. 229 if
25 the construction is undertaken by the department of administration on behalf of the

1 district, shall be in compliance with all applicable state laws, rules, codes and
2 regulations but the construction is not subject to the ordinances or regulations of the
3 municipality in which the construction takes place except zoning, including without
4 limitation because of enumeration ordinances or regulations relating to materials
5 used, permits, supervision of construction or installation, payment of permit fees, or
6 other restrictions.

***NOTE: Section 13.48 (14), stats., governing sale or lease of state lands and
property, is not amended because by its terms it applies only to state agencies,
state-owned buildings and structures, and state-owned land.

7 **SECTION 23.** 13.48 (15) of the statutes is amended to read:

8 13.48 (15) ACQUISITION OF LEASEHOLD INTERESTS. Subject to the requirements
9 of s. 20.924 (1) (i), the building commission shall have the authority to acquire
10 leasehold interests in land and buildings where such authority is not otherwise
11 provided to an agency or the University of Wisconsin-Madison by law.

12 **SECTION 24.** 13.48 (19) of the statutes is amended to read:

13 13.48 (19) ALTERNATIVES TO STATE CONSTRUCTION. Whenever the building
14 commission determines that the use of innovative types of design and construction
15 processes will make better use of the resources and technology available in the
16 building industry, the building commission may waive any or all of s. 16.855 if such
17 action is in the best interest of the state or the University of Wisconsin-Madison and
18 if the waiver is accomplished through formal action of the building commission. The
19 building commission may authorize the lease, lease purchase or acquisition of ~~such~~
20 state facilities constructed in the manner authorized by the building commission.
21 Subject to the requirements of s. 20.924 (1) (i), the building commission may also
22 authorize the lease, lease purchase or acquisition of existing facilities in lieu of state
23 construction of any project enumerated in the authorized state building program.

1 **SECTION 25.** 13.48 (25) of the statutes is amended to read:

2 **13.48 (25) WISCONSIN INITIATIVE FOR STATE TECHNOLOGY AND APPLIED RESEARCH.**

3 There is created a program, to be known as the Wisconsin initiative for state
4 technology and applied research, for the purpose of providing financial support to
5 maintain the ability of the University of Wisconsin-Madison and the University of
6 Wisconsin System and other state agencies, as defined in s. 20.001 (1), to attract
7 federal and private research funds which enable the state to engage in
8 high-technology endeavors, which expand the state's economy and which influence
9 the ability of the state and nation to compete in an increasingly complex world. To
10 carry out the program, the building commission may authorize new construction
11 projects and projects to repair and renovate existing research facilities and
12 supporting systems. Projects shall be financed from the appropriation under s.
13 20.866 (2) (z) or as otherwise provided in the authorized state building program.

14 **SECTION 26.** 13.48 (25t) of the statutes is amended to read:

15 **13.48 (25t) WISBUILD INITIATIVE.** There is created a program, to be known as the
16 "Wisbuild initiative", for the purpose of providing financial support for the
17 maintenance, repair and renovation of state-owned buildings owned by the state
18 and the University of Wisconsin-Madison. Funding may be provided under the
19 initiative for high priority, comprehensive building renovation projects, as well as for
20 the maintenance and repair of the exterior components of buildings and, without
21 limitation because of enumeration, systems such as mechanical, electrical, plumbing
22 and other building systems. Funding may also be provided under the initiative for
23 projects to remove barriers that reduce access to and use of state facilities and
24 University of Wisconsin-Madison facilities by persons with disabilities. The
25 building commission shall allocate available funding for the initiative. Projects

1 funded as a part of the initiative shall be financed from the appropriation under s.
2 20.866 (2) (z) or as otherwise provided in the authorized state building program.

3 **SECTION 27.** 13.48 (28) (title) of the statutes is amended to read:

4 13.48 (28) (title) STATE AND UNIVERSITY OF WISCONSIN-MADISON PROPERTY LEASED
5 TO THE UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY.

****NOTE: Section 13.488, stats. is not amended because the section, except sub.
(1m) relating to arbitrage payments, pertains to dummy building corporations which
have not been used since 1969. No amendment of sub. (1m) is required.

****NOTE: Section 16.848, stats., relating to sale of state-owned real property, is not
amended because under the draft the UW's real property will not be state-owned.

6 **SECTION 28.** 13.48 (29) of the statutes is amended to read:

7 13.48 (29) SMALL PROJECTS. Except as otherwise required under s. 16.855
8 (10m), the building commission may prescribe simplified policies and procedures to
9 be used in lieu of the procedures provided in s. 16.855 for any project that does not
10 require prior approval of the building commission under sub. (10) (a), except projects
11 specified in sub. (10) (c).

12 **SECTION 29.** 13.488 (1) (intro.) of the statutes is amended to read:

13 13.488 (1) (intro.) For the purpose of providing housing for state departments
14 and agencies and the University of Wisconsin-Madison, including housing for state
15 offices anywhere in the state and the completion of the state office building, and all
16 buildings, improvements, facilities or equipment or other capital items required in
17 connection therewith, for the acquisition of lands for future office building
18 development, and to refinance indebtedness previously or hereafter created by a
19 nonprofit-sharing corporation for the purpose of providing a state office building or
20 buildings or additions or improvements thereto which are located on land owned by
21 the state or by the nonprofit-sharing corporation, or for any one or more of said
22 purposes, the building commission shall have the following powers and duties:

SECTION 30

1 **SECTION 30.** 13.488 (5) of the statutes is amended to read:

2 13.488 (5) Unless the context requires otherwise, the terms “building”, “new
3 buildings” and “existing buildings”, as used in this section, include all buildings,
4 structures, improvements, facilities, equipment or other capital items as the
5 building commission determines to be necessary or desirable for the purpose of
6 providing housing for state departments ~~and, agencies, and the University of~~
7 Wisconsin-Madison.

*** NOTE from p. 13 →

8 **SECTION 31.** 13.62 (2) of the statutes, as affected by 2011 Wisconsin Act 7, is
9 amended to read:

10 13.62 (2) “Agency” means any board, commission, department, office, society,
11 institution of higher education, council, or committee in the state government, or any
12 authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 37, 52, 231,
13 232, 233, 234, 237, 238, or 279, except that the term does not include a council or
14 committee of the legislature.

 ****NOTE: This SECTION provides that the UW is subject to the same requirements
that apply to agencies under subch. III of ch. 13, which regulates lobbying.

15 **SECTION 32.** 13.94 (1) (intro.) of the statutes is amended to read:

16 13.94 (1) DUTIES OF THE BUREAU. (intro.) The legislative audit bureau shall be
17 responsible for conducting postaudits of the accounts and other financial records of
18 departments to assure that all financial transactions have been made in a legal and
19 proper manner. In connection with such postaudits, the legislative audit bureau
20 shall review the performance and program accomplishments of the department
21 during the fiscal period for which the audit is being conducted to determine whether
22 the department carried out the policy of the legislature and the governor during the
23 period for which the appropriations were made. In performing postaudits under this

1 subsection, the legislative audit bureau shall not examine issues related to academic
2 freedom within the University of Wisconsin-Madison or the University of Wisconsin
3 System. A postaudit shall not examine into or comment upon the content of the
4 various academic programs, including degree requirements, majors, curriculum or
5 courses within the University of Wisconsin-Madison or the University of Wisconsin
6 System, nor shall any such postaudit examine into the manner in which individual
7 faculty members or groups of faculty members conduct their instructional, research
8 or public service activities. This subsection does not preclude the bureau from
9 reviewing the procedures by which decisions are made and priorities set in the
10 University of Wisconsin-Madison or the University of Wisconsin System, or the
11 manner in which such decisions and priorities are implemented within the
12 University of Wisconsin-Madison or the University of Wisconsin System, insofar as
13 such review is not inconsistent with s. 36.09 or 37.03. The legislative audit bureau
14 shall audit the fiscal concerns of the state as required by law. To this end, it shall:

15 **SECTION 33.** 13.94 (4) (a) 1. of the statutes, as affected by 2011 Wisconsin Act
16 7, is amended to read:

17 13.94 (4) (a) 1. Every state department, board, examining board, affiliated
18 credentialing board, commission, independent agency, council or office in the
19 executive branch of state government; all bodies created by the legislature in the
20 legislative or judicial branch of state government; any public body corporate and
21 politic created by the legislature including specifically the University of
22 Wisconsin-Madison, the Wisconsin Quality Home Care Authority, the Fox River
23 Navigational System Authority, the Lower Fox River Remediation Authority, and
24 the Wisconsin Aerospace Authority, the Wisconsin Economic Development
25 Corporation, a professional baseball park district, a local professional football

1 stadium district, a local cultural arts district and a long-term care district under s.
2 46.2895; every Wisconsin works agency under subch. III of ch. 49; every provider of
3 medical assistance under subch. IV of ch. 49; technical college district boards; every
4 county department under s. 51.42 or 51.437; every nonprofit corporation or
5 cooperative or unincorporated cooperative association to which moneys are
6 specifically appropriated by state law; and every corporation, institution, association
7 or other organization which receives more than 50% of its annual budget from
8 appropriations made by state law, including subgrantee or subcontractor recipients
9 of such funds.

10 **SECTION 34.** 13.95 (intro.) of the statutes, as affected by 2011 Wisconsin Act 7,
11 is amended to read:

12 **13.95 Legislative fiscal bureau.** (intro.) There is created a bureau to be
13 known as the "Legislative Fiscal Bureau" headed by a director. The fiscal bureau
14 shall be strictly nonpartisan and shall at all times observe the confidential nature
15 of the research requests received by it; however, with the prior approval of the
16 requester in each instance, the bureau may duplicate the results of its research for
17 distribution. Subject to s. 230.35 (4) (a) and (f), the director or the director's
18 designated employees shall at all times, with or without notice, have access to all
19 state agencies, the University of Wisconsin Hospitals and Clinics Authority, the
20 University of Wisconsin-Madison, the Wisconsin Aerospace Authority, the Health
21 Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
22 Authority, the Wisconsin Quality Home Care Authority, the Wisconsin Economic
23 Development Corporation, and the Fox River Navigational System Authority, and to
24 any books, records, or other documents maintained by such agencies or authorities
25 and relating to their expenditures, revenues, operations, and structure.

1 **SECTION 35.** 14.015 (1) of the statutes is amended to read:

2 14.015 (1) **DISABILITY BOARD.** There is created a disability board which is
3 attached to the office of the governor under s. 15.03. Where not in conflict with s.
4 17.025, s. 15.07 applies to the disability board. The disability board shall consist of
5 the governor, the chief justice of the supreme court, the speaker of the assembly, the
6 president of the senate, the minority leader of the assembly, the minority leader of
7 the senate, and the dean of the University of Wisconsin ~~Medical School of Medicine~~
8 and Public Health. In case of the absence or disability of any of the members to serve
9 for a particular meeting of the board, the lieutenant governor, a justice of the
10 supreme court designated by the chief justice, the deputy speaker of the assembly,
11 the majority leader of the senate, the assistant minority leader of the assembly, the
12 assistant minority leader of the senate, or an associate dean of the University of
13 Wisconsin ~~Medical School of Medicine and Public Health~~ designated by the dean
14 shall serve, respectively, in place of the officers.

15 **SECTION 36.** 14.57 (2m) of the statutes is created to read:

16 14.57 (2m) The chairperson of the board of trustees of the University of
17 Wisconsin–Madison or his or her designee.

18 **SECTION 37.** 14.76 (1m) of the statutes is created to read:

19 14.76 (1m) In this section, “state agency” includes the University of
20 Wisconsin–Madison.

21 **SECTION 38.** 15.165 (3) (a) (intro.) of the statutes is amended to read:

22 15.165 (3) (a) (intro.) There is created in the department of employee trust
23 funds a teachers retirement board. The board shall consist of ~~13~~ 14 members, to
24 serve for staggered 5–year terms. The board shall consist of the following members:

25 **SECTION 39.** 15.165 (3) (a) 8. of the statutes is created to read:

1 15.165 (3) (a) 8. One University of Wisconsin-Madison representative who is
2 a teacher participant in the Wisconsin retirement system.

3 **SECTION 40.** 15.347 (4) (f) of the statutes is created to read:

4 15.347 (4) (f) One from the University of Wisconsin-Madison appointed by the
5 board of trustees of the University of Wisconsin-Madison.

6 **SECTION 41.** 15.377 (8) (c) 8m. of the statutes is created to read:

7 15.377 (8) (c) 8m. One faculty member of a department or the School of
8 Education in the University of Wisconsin-Madison recommended by the chancellor
9 of the University of Wisconsin-Madison.

10 **SECTION 42.** 15.377 (8) (c) 10. of the statutes is amended to read:

11 15.377 (8) (c) 10. One additional faculty member, appointed from the list of
12 persons recommended under subd. 8., 8m., or 9.

13 **SECTION 43.** 15.67 (1) (a) 1m. of the statutes is created to read:

14 15.67 (1) (a) 1m. One member of the board of trustees of the University of
15 Wisconsin-Madison.

16 **SECTION 44.** 15.797 (1) (b) 8. of the statutes is amended to read:

17 15.797 (1) (b) 8. One member who is a University of Wisconsin System or
18 University of Wisconsin-Madison faculty member with expertise regarding the
19 health impacts of wind energy systems.

20 **SECTION 45.** 15.91 of the statutes is amended to read:

21 **15.91 Board of regents of the University of Wisconsin System; creation.**

22 There is created a board of regents of the University of Wisconsin System consisting
23 of the state superintendent of public instruction, the president, or by his or her
24 designation another member, of the technical college system board and 14 citizen
25 members appointed for staggered 7-year terms, and 2 students enrolled at least

1 half-time and in good academic standing at institutions within the University of
2 Wisconsin System who are residents of this state, for 2-year terms. The student
3 members may be selected from recommendations made by elected representatives
4 of student governments at institutions within the University of Wisconsin System.
5 The governor shall appoint one student member who is at least 18 years old and one
6 undergraduate student member who is at least 24 years old and represents the views
7 of nontraditional students, such as those who are employed or are parents. The
8 governor may not appoint a student member from the same institution in any 2
9 consecutive terms; and the 2 student members who are appointed may not be from
10 the same institution; ~~and a student from the University of Wisconsin-Madison and~~
11 ~~a student from the University of Wisconsin-Milwaukee may not serve on the Board~~
12 ~~of Regents at the same time.~~ If a student member loses the status upon which the
13 appointment was based, he or she shall cease to be a member of the board of regents.

14 **SECTION 46.** 15.915 (1) of the statutes is repealed.

15 **SECTION 47.** 15.915 (2) of the statutes is repealed.

16 **SECTION 48.** 15.917 (1) (a) of the statutes is amended to read:

17 15.917 (1) (a) A representative of the University of Wisconsin Medical School
18 of Medicine and Public Health.

19 **SECTION 49.** 15.94 (intro.) of the statutes is amended to read:

20 **15.94 Technical college system board; creation.** (intro.) There is created
21 a technical college system board consisting of ~~13~~ 14 members. No person may serve
22 as president of the board for more than 2 successive annual terms. The board shall
23 be composed of:

24 **SECTION 50.** 15.94 (2v) of the statutes is created to read:

1 15.94 (2v) The chairperson, or by his or her designation another member, of the
2 board of trustees of the University of Wisconsin-Madison.

3 **SECTION 51.** 15.96 (1) (b) of the statutes is amended to read:

4 15.96 (1) (b) Three members of the board of ~~regents~~ trustees of the University
5 of Wisconsin-Madison appointed by the ~~president~~ chairperson of the board of ~~regents~~
6 trustees.

7 **SECTION 52.** 15.96 (1) (d) of the statutes is amended to read:

8 15.96 (1) (d) The dean of the University of ~~Wisconsin-Madison Medical~~
9 Wisconsin School of Medicine and Public Health.

10 **SECTION 53.** 15.96 (1) (e) of the statutes is amended to read:

11 15.96 (1) (e) A chairperson of a department at the University of
12 ~~Wisconsin-Madison Medical~~ Wisconsin School of Medicine and Public Health,
13 appointed by the chancellor of the University of Wisconsin-Madison.

14 **SECTION 54.** 15.96 (1) (f) of the statutes is amended to read:

15 15.96 (1) (f) A faculty member of a health professions school of the University
16 of Wisconsin-Madison ~~health professions school~~, other than the University of
17 ~~Wisconsin-Madison Medical~~ Wisconsin School of Medicine and Public Health,
18 appointed by the chancellor of the University of Wisconsin-Madison.

19 **SECTION 55.** 16.002 (2) of the statutes, as affected by 2011 Wisconsin Act 7, is
20 amended to read:

21 16.002 (2) "Departments" means constitutional offices, departments, and
22 independent agencies and includes all societies, associations, and other agencies of
23 state government for which appropriations are made by law, but not including
24 authorities created in subch. II of ch. 114 or subch. III of ch. 149 or in ~~chs.~~ ch. 37, 52,
25 231, 232, 233, 234, 235, 237, 238, or 279.

****NOTE: The above exempts the UW from the following:

Section 16.52 (11), which allows the DOA secretary to "allocate and charge, and ... prescribe the procedures for departments to allocate and charge, the central services costs of [DOA] or of individual departments to selected federal grants or contracts."

Section 16.53 (1) (ca), which requires all departments to "diligently review and supervise the travel expenditures of their employees" and allows them to promulgate rules governing such expenditures that are consistent with uniform guidelines established under s. 20.916 (8).

Section 16.54 (10), which requires all departments, "before acceptance of any federal grant on behalf of the state which will or may involve the provision of auditing services by the legislative audit bureau," to provide written notification to the state auditor.

Section 16.61 (3) (d) 1., which requires the public records board to establish a system for protecting essential public records in the event of a disaster and consult with state departments in determining what public records are essential for such system.

Section 16.61 (3) (d) 4., which requires the public records board to furnish state departments with copies of its final plan for preserving essential public records.

Section 16.85 (6), which requires DOA to "approve the appointment of a principal engineer or architect for departments, boards and commissions and when such continuous service is needed."

1 **SECTION 56.** 16.004 (4) of the statutes, as affected by 2011 Wisconsin Act 7, is
2 amended to read:

3 16.004 (4) FREEDOM OF ACCESS. The secretary and such employees of the
4 department as the secretary designates may enter into the offices of state agencies
5 and authorities created under subch. II of ch. 114 or subch. III of ch. 149 and under
6 chs. 37, 52, 231, 233, 234, 237, 238, and 279, and may examine their books and
7 accounts and any other matter that in the secretary's judgment should be examined
8 and may interrogate the agency's employees publicly or privately relative thereto.

9 **SECTION 57.** 16.004 (5) of the statutes, as affected by 2011 Wisconsin Act 7, is
10 amended to read:

11 16.004 (5) AGENCIES AND EMPLOYEES TO COOPERATE. All state agencies and
12 authorities created under subch. II of ch. 114 or subch. III of ch. 149 and under chs.
13 37, 52, 231, 233, 234, 237, 238, and 279, and their officers and employees, shall

1 cooperate with the secretary and shall comply with every request of the secretary
2 relating to his or her functions.

3 **SECTION 58.** 16.004 (8) (am) of the statutes is amended to read:

4 16.004 (8) (am) The secretary shall maintain a system of rental policies for
5 state-owned housing administered by all agencies other than the University of
6 Wisconsin-Madison, and shall periodically review the system for possible changes.
7 Whenever the secretary proposes to change rental policies other than rental rates,
8 the secretary shall submit a report relating to the system to the joint committee on
9 finance. The report shall include any changes in rental policies recommended by the
10 secretary.

11 **SECTION 59.** 16.004 (12) (a) of the statutes, as affected by 2011 Wisconsin Act
12 7, is amended to read:

13 16.004 (12) (a) In this subsection, "state agency" means an association,
14 authority, board, department, commission, independent agency, institution, office,
15 society, or other body in state government created or authorized to be created by the
16 constitution or any law, including the legislature, the office of the governor, and the
17 courts, but excluding the University of Wisconsin Hospitals and Clinics Authority,
18 the University of Wisconsin-Madison, the Wisconsin Aerospace Authority, the
19 Health Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
20 Authority, the Wisconsin Quality Home Care Authority, the Wisconsin Economic
21 Development Corporation, and the Fox River Navigational System Authority.

22 **SECTION 60.** 16.04 (1) (intro.) of the statutes is amended to read:

23 16.04 (1) (intro.) The department shall ensure optimum efficiency and economy
24 in the fleet management and maintenance activities of all agencies, as defined in s.
25 16.52 (7), other than the University of Wisconsin- Madison. The department may:

1 **SECTION 61.** 16.045 (1) (a) of the statutes, as affected by 2011 Wisconsin Act 7,
2 is amended to read:

3 16.045 (1) (a) "Agency" means an office, department, independent agency,
4 institution of higher education, association, society, or other body in state
5 government created or authorized to be created by the constitution or any law, that
6 is entitled to expend moneys appropriated by law, including the legislature and the
7 courts, but not including an authority created in subch. II of ch. 114 or subch. III of
8 ch. 149 or in ch. 37, 52, 231, 232, 233, 234, 235, 237, 238, or 279.

 ****NOTE: The above exempts the UW from DOA's authority over agency use of
 gasohol, alternative fuels, and hybrid-electric vehicles.

9 **SECTION 62.** 16.41 (1) of the statutes is amended to read:

10 16.41 (1) All agencies shall keep their accounts and other financial records as
11 prescribed by the secretary under s. 16.40 (5), except as otherwise specifically
12 directed by law. All agencies ^{plain} ~~and~~ authorities ~~and~~ and the University of
13 Wisconsin-Madison shall furnish to the secretary all information relating to their
14 financial transactions which the secretary requests pursuant to this subchapter for
15 such periods as the secretary requests, and shall render such assistance in
16 connection with the preparation of the state budget report and the budget bill and
17 in auditing accounts, as the secretary or the governor may require.

18 **SECTION 63.** 16.417 (1) (a) of the statutes, as affected by 2011 Wisconsin Act 7,
19 section 19, is amended to read:

20 16.417 (1) (a) "Agency" means an office, department, independent agency,
21 institution of higher education, association, society, or other body in state
22 government created or authorized to be created by the constitution or any law, that
23 is entitled to expend moneys appropriated by law, including the legislature and the

1 courts, but not including an authority or the body created under subch. III of ch. 149
2 or under ch. 37 or 238.

****NOTE: The above exempts the UW from the dual retention/employment requirements of s. 16.417 that apply to agencies and authorities. Note that s. 16.417 (1) (b) defines "authority" to include authorities created under specified statutes. By not including the UW in s. 16.417 (1) (b), and by excluding the UW from the definition of "agency" in the above, this draft exempts the UW from s. 16.417.

3 **SECTION 64.** 16.417 (1) (a) of the statutes, as affected by 2011 Wisconsin Act 7,
4 section 20, and 2011 Wisconsin Act (this act), is repealed and recreated to read:

5 16.417 (1) (a) "Agency" means an office, department, independent agency,
6 institution of higher education, association, society, or other body in state
7 government created or authorized to be created by the constitution or any law, that
8 is entitled to expend moneys appropriated by law, including the legislature and the
9 courts, but not including an authority or the body created under subch. III of ch. 149
10 or under ch. 37.

11 **SECTION 65.** 16.42 (1) (intro.) of the statutes is amended to read:

12 16.42 (1) (intro.) All agencies, ~~other than~~ including the University of
13 Wisconsin-Madison but excluding the legislature and the courts, no later than
14 September 15 of each even-numbered year, in the form and content prescribed by the
15 department, shall prepare and forward to the department and to the legislative fiscal
16 bureau the following program and financial information:

17 **SECTION 66.** 16.513 (1) of the statutes is amended to read:

18 16.513 (1) Each agency, including the University of Wisconsin-Madison, which
19 has a program revenue appropriation or appropriation of segregated revenues from
20 program receipts shall, at such times as required by the secretary, make quarterly
21 reports to the department projecting the revenues and expenditures for the ensuing
22 quarterly period under each such appropriation to the agency.

1 **SECTION 67.** 16.513 (3) (a) of the statutes is amended to read:

2 16.513 (3) (a) If there are insufficient moneys, assets, or accounts receivable,
3 as determined under s. 20.903 (2), that are projected by an agency, including the
4 University of Wisconsin-Madison, or projected by the department under s. 16.40 (7)
5 to cover anticipated expenditures under a program revenue appropriation or
6 appropriation of segregated revenues from program receipts, the agency shall
7 propose and submit to the department a plan to assure that there are sufficient
8 moneys, assets, or accounts receivable to meet projected expenditures under the
9 appropriation.

10 **SECTION 68.** 16.528 (1) (a) of the statutes, as affected by 2011 Wisconsin Act 7,
11 is amended to read:

12 16.528 (1) (a) "Agency" means an office, department, independent agency,
13 institution of higher education, association, society, or other body in state
14 government created or authorized to be created by the constitution or any law, that
15 is entitled to expend moneys appropriated by law, including the legislature and the
16 courts, but not including an authority created in subch. II of ch. 114 or subch. III of
17 ch. 149 or in ch. 37, 52, 231, 233, 234, 237, 238, or 279.

 ****NOTE: The above exempts the UW from the requirements under s. 16.528 for
an agency to pay interest on late payments made by the agency.

18 **SECTION 69.** 16.53 (2) of the statutes, as affected by 2011 Wisconsin Act 7, is
19 amended to read:

20 16.53 (2) **IMPROPER INVOICES.** If an agency receives an improperly completed
21 invoice, the agency shall notify the sender of the invoice within 10 working days after
22 it receives the invoice of the reason it is improperly completed. In this subsection,
23 "agency" means an office, department, independent agency, institution of higher

1 education, association, society, or other body in state government created or
2 authorized to be created by the constitution or any law, that is entitled to expend
3 moneys appropriated by law, including the legislature and the courts, but not
4 including an authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch.
5 37, 52, 231, 233, 234, 237, 238, or 279.

6 **SECTION 70.** 16.53 (7) of the statutes is amended to read:

7 16.53 (7) CERTIFICATION OF BOARDS, EVIDENCE OF CORRECTNESS OF ACCOUNT. The
8 certificate of the proper officers of the ~~board of regents~~ Board of Regents of the
9 University of Wisconsin System, the Board of Trustees of the University of
10 Wisconsin-Madison, the department of health services, or the proper officers of any
11 other board or commission organized or established by the state, shall in all cases be
12 evidence of the correctness of any account which may be certified by them.

13 **SECTION 71.** 16.54 (8g) of the statutes is amended to read:

14 16.54 (8g) Subsections (1) to (8) do not apply to federal moneys made available
15 to the ~~board of regents~~ Board of Regents of the University of Wisconsin System or the
16 Board of Trustees of the University of Wisconsin-Madison for instruction, extension,
17 special projects or emergency employment opportunities.

****NOTE: The above ensures that the UW maintains an exemption under current
law that applies to the UW-System.

18 **SECTION 72.** 16.54 (8r) (a) of the statutes is amended to read:

19 16.54 (8r) (a) Whenever the federal government makes available moneys for
20 instruction, extension, special projects or emergency employment opportunities, the
21 ~~board of regents~~ Board of Regents of the University of Wisconsin System and the
22 Board of Trustees of the University of Wisconsin-Madison may accept the moneys
23 on behalf of the state. The ~~board of regents~~ Board of Regents and the Board of

1 Trustees shall, in the administration of the expenditure of such moneys, comply with
2 the requirements of the act of congress making the moneys available and with the
3 regulations prescribed by the federal government or the federal agency
4 administering the act, insofar as the act or regulations are consistent with state law.
5 ~~The board of regents~~ Board of Regents and the Board of Trustees may submit any
6 plan, budget, application or proposal required by the federal agency as a precondition
7 to receipt of the moneys. ~~The board of regents~~ Board of Regents and the Board of
8 Trustees may, consistent with state law, perform any act required by the act of
9 congress or the federal agency to carry out the purpose of the act of congress. The
10 ~~board of regents~~ Board of Regents shall deposit all moneys received under this
11 paragraph in the appropriation account under s. 20.285 (1) (m).

12 **SECTION 73.** 16.54 (9) (a) 1. of the statutes, as affected by 2011 Wisconsin Act
13 7, is amended to read:

14 16.54 (9) (a) 1. "Agency" means an office, department, independent agency,
15 institution of higher education, association, society or other body in state
16 government created or authorized to be created by the constitution or any law, which
17 is entitled to expend moneys appropriated by law, including the legislature and the
18 courts, but not including an authority created in subch. II of ch. 114 or subch. III of
19 ch. 149 or in ch. 37, 52, 231, 233, 234, 237, 238, or 279.

****NOTE: The above exempts the UW from the requirements under s. 16.54 (9) that
apply to "moneys received by an agency from the federal government as reimbursement
for indirect costs of administration of a federal grant or contract for which no specific use
is mandated by the federal government."

20 **SECTION 74.** 16.61 (13) (a) of the statutes is amended to read:

21 16.61 (13) (a) The historical society, as trustee for the state, shall be the
22 ultimate depository of the archives of the state, and the board may transfer to the
23 society such original records and reproductions as it deems proper and worthy of

1 permanent preservation, including records and reproductions which the custodian
2 thereof has been specifically directed by statute to preserve or keep in the custodian's
3 office. The permanent preservation of records of the University of Wisconsin System
4 and of the University of Wisconsin-Madison may be accomplished under par. (b).
5 The society may deposit in the regional depositories established under s. 44.10, title
6 remaining with the society, the records of state agencies or their district or regional
7 offices which are primarily created in the geographic area serviced by the depository,
8 but the records of all central departments, offices, establishments and agencies shall
9 remain in the main archives in the capital city under the society's immediate
10 jurisdiction, except that the society may place the records temporarily at a regional
11 depository for periods of time to be determined by the society. Nothing in this
12 subsection nor in ch. 44 prevents the society's taking the steps for the safety of
13 articles and materials entrusted to its care in library, museum or archives, including
14 temporary removal to safer locations, dictated by emergency conditions arising from
15 a state of war, civil rebellion or other catastrophe.

16 **SECTION 75.** 16.61 (13) (b) of the statutes is amended to read:

17 16.61 (13) (b) The board may designate an archival depository at the
18 University of Wisconsin-Madison and at each university as defined in s. 36.05 (13)
19 which shall meet standards for university archival depositories established by the
20 board with the advice of the ~~board of regents~~ Board of Trustees, the Board of Regents,
21 and the historical society or their respective designated representatives. The board
22 may transfer to the appropriate university archival depository all original records
23 and reproductions the board deems worthy of permanent preservation.
24

SECTION 76. 16.705 (1r) (d) of the statutes is amended to read:

1 16.705 (1r) (d) Contractual services purchased by the Board of Regents of the
2 University of Wisconsin System with moneys appropriated under s. 20.285 (1) (j),
3 (ja), (jm), (u), or (w) ~~or (5) (j)~~.

4 **SECTION 77.** 16.71 (1m) of the statutes is amended to read:

5 ~~16.71 (1m) The department shall not delegate to any executive branch agency,~~
6 ~~other than the board of regents Board of Regents of the University of Wisconsin~~
7 ~~System and the board of trustees of the University of Wisconsin-Madison, the~~
8 ~~authority to enter into any contract for materials, supplies, equipment, or~~
9 ~~contractual services relating to information technology or telecommunications prior~~
10 ~~to review and approval of the contract by the department. No executive branch~~
11 ~~agency, other than the board of regents Board of Regents of the University of~~
12 ~~Wisconsin System, may enter into any such contract without review and approval of~~
13 ~~the contract by the department. Any executive branch agency that enters into a~~
14 ~~contract relating to information technology under this section shall comply with the~~
15 ~~requirements of s. 16.973 (13). Any delegation to the board of regents Board of~~
16 ~~Regents of the University of Wisconsin System is subject to the limitations~~
17 ~~prescribed in s. 36.11 (49).~~

18 **SECTION 78.** 16.72 (8) of the statutes is amended to read:

19 16.72 (8) The department may purchase educational technology materials,
20 supplies, equipment, or contractual services from orders placed with the department
21 by school districts, cooperative educational service agencies, technical college
22 districts, and the board of regents Board of Regents of the University of Wisconsin
23 System, and the Board of Trustees of the University of Wisconsin-Madison.

24 **SECTION 79.** 16.73 (5) of the statutes is amended to read:

1 16.73 (5) If the department designates the ~~board of regents~~ Board of Trustees
2 of the University of ~~Wisconsin System~~ Wisconsin-Madison as its purchasing agent
3 for any purpose under s. 16.71 (1), the board may enter into a contract to sell any
4 materials, supplies, equipment or contractual services purchased by the board to the
5 University of Wisconsin Hospitals and Clinics Authority, and may contract with the
6 University of Wisconsin Hospitals and Clinics Authority for the joint purchase of any
7 materials, supplies, equipment or contractual services if the sale or purchase is made
8 consistently with that delegation and with this subchapter.

9 **SECTION 80.** 16.75 (1) (b) of the statutes is renumbered 16.75 (1) (b) 1. and
10 amended to read:

11 16.75 (1) (b) 1. ~~When~~ Except as provided in subd. 2., when the estimated cost
12 exceeds \$25,000, the department shall invite bids to be submitted. ~~The~~

13 3. If subd. 1. or 2. requires bids to be solicited, the department shall either shall
14 solicit sealed bids to be opened publicly at a specified date and time, or shall solicit
15 bidding by auction to be conducted electronically at a specified date and time.
16 Whenever bids are invited, due notice inviting bids shall be published as a class 2
17 notice, under ch. 985 or posted on the Internet at a site determined or approved by
18 the department. The bid opening or auction shall occur at least 7 days after the date
19 of the last insertion of the notice or at least 7 days after the date of posting on the
20 Internet. The notice shall specify whether sealed bids are invited or bids will be
21 accepted by auction, and shall give a clear description of the materials, supplies,
22 equipment, or contractual services to be purchased, the amount of any bond, share
23 draft, check, or other draft to be submitted as surety with the bid or prior to the
24 auction, and the date and time that the public opening or the auction will be held.

25 **SECTION 81.** 16.75 (1) (b) 2. of the statutes is created to read:

1 16.75 (1) (b) 2. If the University of Wisconsin-Madison is making a purchase,
2 the University of Wisconsin-Madison may make the purchase without inviting bids
3 to be submitted if the estimated cost does not exceed \$50,000.

4 **SECTION 82.** 16.75 (1) (c) of the statutes is amended to read:

5 16.75 (1) (c) Except as provided in sub. (7), when the estimated cost is \$25,000
6 or less than the bidding threshold under par. (b), the award may be made in
7 accordance with simplified procedures established by the department or the
8 University of Wisconsin-Madison, whichever is making the purchase, for such
9 transactions.

10 **SECTION 83.** 16.75 (2m) (b) of the statutes is renumbered 16.75 (2m) (b) 1. and
11 amended to read:

12 16.75 (2m) (b) 1. When Except as provided in subd. 2., when the estimated cost
13 exceeds \$25,000, the department may invite competitive sealed proposals ~~by~~
14 publishing.

15 3. If competitive sealed proposals are invited, the department shall publish a
16 class 2 notice under ch. 985 or ~~by posting~~ post notice on the Internet at a site
17 determined or approved by the department. The notice shall describe the materials,
18 supplies, equipment, or contractual services to be purchased, the intent to make the
19 procurement by solicitation of proposals rather than by solicitation of bids, any
20 requirement for surety and the date the proposals will be opened, which shall be at
21 least 7 days after the date of the last insertion of the notice or at least 7 days after
22 the date of posting on the Internet.

23 **SECTION 84.** 16.75 (2m) (b) 2. of the statutes is created to read:

1 16.75 (2m) (b) 2. If the University of Wisconsin-Madison is making a purchase,
2 the University of Wisconsin-Madison may make the purchase without inviting
3 competitive sealed proposals if the estimated cost does not exceed \$50,000.

4 **SECTION 85.** 16.75 (2m) (c) of the statutes is amended to read:

5 16.75 (2m) (c) When the estimated cost is \$25,000 or less than the threshold
6 under par. (b) for requiring competitive sealed proposals, the department may award
7 the order or contract may be awarded in accordance with simplified procedures
8 established by the department or the University of Wisconsin-Madison, whichever
9 is making the purchase, for such transactions.

10 **SECTION 86.** 16.75 (6) (c) of the statutes is amended to read:

11 16.75 (6) (c) If the secretary determines that it is in the best interest of this state
12 to do so, he or she or, for purchases by the University of Wisconsin-Madison, the
13 chairperson of the Board of Trustees determines it is in the best interest of the
14 University of Wisconsin-Madison to do so, the secretary or chairperson may, with the
15 approval of the governor, waive the requirements of subs. (1) to (5) and may purchase
16 supplies, material, equipment, or contractual services, other than printing and
17 stationery, from a private source other than a source specified in par. (b). Except as
18 provided in sub. (2g) (c), if the cost of the purchase is expected to exceed \$25,000, the
19 department shall first publish a class 2 notice under ch. 985 or post a notice on the
20 Internet at the site determined or approved by the department under sub. (1) (b) 3.
21 describing the materials, supplies, equipment, or contractual services to be
22 purchased, stating the intent to make the purchase from a private source without
23 soliciting bids or competitive sealed proposals and stating the date on which the
24 contract or purchase order will be awarded. The date of the award shall be at least
25 7 days after the date of the last insertion or the date of posting on the Internet.

1 **SECTION 87.** 16.765 (1) of the statutes, as affected by 2011 Wisconsin Act 7, is
2 amended to read:

3 16.765 (1) Contracting agencies, the University of Wisconsin Hospitals and
4 Clinics Authority, the University of Wisconsin-Madison, the Fox River Navigational
5 System Authority, the Wisconsin Aerospace Authority, the Health Insurance
6 Risk-Sharing Plan Authority, the Lower Fox River Remediation Authority, the
7 Wisconsin Quality Home Care Authority, the Wisconsin Economic Development
8 Corporation, and the Bradley Center Sports and Entertainment Corporation shall
9 include in all contracts executed by them a provision obligating the contractor not
10 to discriminate against any employee or applicant for employment because of age,
11 race, religion, color, handicap, sex, physical condition, developmental disability as
12 defined in s. 51.01 (5), sexual orientation as defined in s. 111.32 (13m), or national
13 origin and, except with respect to sexual orientation, obligating the contractor to take
14 affirmative action to ensure equal employment opportunities.

15 **SECTION 88.** 16.765 (2) of the statutes, as affected by 2011 Wisconsin Act 7, is
16 amended to read:

17 16.765 (2) Contracting agencies, the University of Wisconsin Hospitals and
18 Clinics Authority, the University of Wisconsin-Madison, the Fox River Navigational
19 System Authority, the Wisconsin Aerospace Authority, the Health Insurance
20 Risk-Sharing Plan Authority, the Lower Fox River Remediation Authority, the
21 Wisconsin Quality Home Care Authority, the Wisconsin Economic Development
22 Corporation, and the Bradley Center Sports and Entertainment Corporation shall
23 include the following provision in every contract executed by them: "In connection
24 with the performance of work under this contract, the contractor agrees not to
25 discriminate against any employee or applicant for employment because of age, race,

1 religion, color, handicap, sex, physical condition, developmental disability as defined
2 in s. 51.01 (5), sexual orientation or national origin. This provision shall include, but
3 not be limited to, the following: employment, upgrading, demotion or transfer;
4 recruitment or recruitment advertising; layoff or termination; rates of pay or other
5 forms of compensation; and selection for training, including apprenticeship. Except
6 with respect to sexual orientation, the contractor further agrees to take affirmative
7 action to ensure equal employment opportunities. The contractor agrees to post in
8 conspicuous places, available for employees and applicants for employment, notices
9 to be provided by the contracting officer setting forth the provisions of the
10 nondiscrimination clause”.

11 **SECTION 89.** 16.765 (5) of the statutes, as affected by 2011 Wisconsin Act 7, is
12 amended to read:

13 16.765 (5) The head of each contracting agency and the boards of directors of
14 the University of Wisconsin Hospitals and Clinics Authority, the University of
15 Wisconsin-Madison, the Fox River Navigational System Authority, the Wisconsin
16 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
17 Fox River Remediation Authority, the Wisconsin Quality Home Care Authority, the
18 Wisconsin Economic Development Corporation, and the Bradley Center Sports and
19 Entertainment Corporation shall be primarily responsible for obtaining compliance
20 by any contractor with the nondiscrimination and affirmative action provisions
21 prescribed by this section, according to procedures recommended by the department.
22 The department shall make recommendations to the contracting agencies and the
23 boards of directors of the University of Wisconsin Hospitals and Clinics Authority,
24 the University of Wisconsin-Madison, the Fox River Navigational System Authority,
25 the Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan

1 Authority, the Lower Fox River Remediation Authority, the Wisconsin Quality Home
2 Care Authority, the Wisconsin Economic Development Corporation, and the Bradley
3 Center Sports and Entertainment Corporation for improving and making more
4 effective the nondiscrimination and affirmative action provisions of contracts. The
5 department shall promulgate such rules as may be necessary for the performance of
6 its functions under this section.

7 **SECTION 90.** 16.765 (6) of the statutes, as affected by 2011 Wisconsin Act 7, is
8 amended to read:

9 16.765 (6) The department may receive complaints of alleged violations of the
10 nondiscrimination provisions of such contracts. The department shall investigate
11 and determine whether a violation of this section has occurred. The department may
12 delegate this authority to the contracting agency, the University of Wisconsin
13 Hospitals and Clinics Authority, the University of Wisconsin-Madison, the Fox
14 River Navigational System Authority, the Wisconsin Aerospace Authority, the
15 Health Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
16 Authority, the Wisconsin Quality Home Care Authority, the Wisconsin Economic
17 Development Corporation, or the Bradley Center Sports and Entertainment
18 Corporation for processing in accordance with the department's procedures.

19 **SECTION 91.** 16.765 (7) (intro.) of the statutes, as affected by 2011 Wisconsin
20 Act 7, is amended to read:

21 16.765 (7) (intro.) When a violation of this section has been determined by the
22 department, the contracting agency, the University of Wisconsin Hospitals and
23 Clinics Authority, the University of Wisconsin-Madison, the Fox River Navigational
24 System Authority, the Wisconsin Aerospace Authority, the Health Insurance
25 Risk-Sharing Plan Authority, the Lower Fox River Remediation Authority, the

1 Wisconsin Quality Home Care Authority, the Wisconsin Economic Development
2 Corporation, or the Bradley Center Sports and Entertainment Corporation, the
3 contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the
4 University of Wisconsin-Madison, the Fox River Navigational System Authority, the
5 Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority,
6 the Lower Fox River Remediation Authority, the Wisconsin Quality Home Care
7 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center
8 Sports and Entertainment Corporation shall:

9 **SECTION 92.** 16.765 (7) (d) of the statutes, as affected by 2011 Wisconsin Act 7,
10 is amended to read:

11 16.765 (7) (d) Direct the violating party to take immediate steps to prevent
12 further violations of this section and to report its corrective action to the contracting
13 agency, the University of Wisconsin Hospitals and Clinics Authority, the University
14 of Wisconsin-Madison, the Fox River Navigational System Authority, the Wisconsin
15 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
16 Fox River Remediation Authority, the Wisconsin Quality Home Care Authority, the
17 Wisconsin Economic Development Corporation, or the Bradley Center Sports and
18 Entertainment Corporation.

19 **SECTION 93.** 16.765 (8) of the statutes, as affected by 2011 Wisconsin Act 7, is
20 amended to read:

21 16.765 (8) If further violations of this section are committed during the term
22 of the contract, the contracting agency, the University of Wisconsin-Madison, the
23 Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the
24 Health Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
25 Authority, the Wisconsin Quality Home Care Authority, the Wisconsin Economic

1 Development Corporation or the Bradley Center Sports and Entertainment
2 Corporation may permit the violating party to complete the contract, after complying
3 with this section, but thereafter the contracting agency, the University of
4 Wisconsin-Madison, the Fox River Navigational System Authority, the Wisconsin
5 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
6 Fox River Remediation Authority, the Wisconsin Quality Home Care Authority, the
7 Wisconsin Economic Development Corporation, or the Bradley Center Sports and
8 Entertainment Corporation shall request the department to place the name of the
9 party on the ineligible list for state contracts, or the contracting agency, the
10 University of Wisconsin-Madison, the Fox River Navigational System Authority, the
11 Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority,
12 the Lower Fox River Remediation Authority, the Wisconsin Quality Home Care
13 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center
14 Sports and Entertainment Corporation may terminate the contract without liability
15 for the uncompleted portion or any materials or services purchased or paid for by the
16 contracting party for use in completing the contract.

17 **SECTION 94.** 16.78 (1) of the statutes, as affected by 2011 Wisconsin Act 7, is
18 amended to read:

19 16.78 (1) Every agency other than the ~~board of regents~~ Board of Regents of the
20 University of Wisconsin System, the Board of Trustees of the University of
21 Wisconsin-Madison, or an agency making purchases under s. 16.74 shall make all
22 purchases of materials, supplies, equipment, and contractual services relating to
23 information technology or telecommunications from the department, unless the
24 department requires the agency to purchase the materials, supplies, equipment, or
25 contractual services pursuant to a master contract established under s. 16.972 (2)

(h), or grants written authorization to the agency to procure the materials, supplies, equipment, or contractual services under s. 16.75 (1) or (2m), to purchase the materials, supplies, equipment, or contractual services from another agency or to provide the materials, supplies, equipment, or contractual services to itself. The ~~board of regents~~ Board of Regents of the University of Wisconsin System may make purchases of materials, supplies, equipment, and contractual services relating to information technology or telecommunications from the department.

SECTION 95. 16.847 (1) (b) of the statutes is amended to read:

16.847 (1) (b) "State facilities" means all property owned and operated by the state for the purpose of carrying out usual state functions, including the University of Wisconsin-Madison and each institution within the University of Wisconsin System.

****NOTE from p. 13 →

SECTION 96. 16.85 (1) of the statutes is amended to read:

16.85 (1) To take charge of and supervise all engineering or architectural services or construction work, as defined in s. 16.87, performed by, or for, the state, or any department, board, institution, commission, or officer of the state, and any such work to be performed for the University of Wisconsin-Madison, including nonprofit-sharing corporations organized for the purpose of assisting the state in the construction and acquisition of new buildings or improvements and additions to existing buildings as contemplated under ss. 13.488, 36.09, and 36.11, 37.03, and 37.11, except work to be performed for the University of Wisconsin-Madison with respect to a building, structure, or facility that is funded entirely from sources other than general purpose revenue or general fund supported borrowing; the engineering, architectural, and construction work of the department of transportation; and the engineering service performed by the department of commerce, department of

1 revenue, public service commission, department of health services, and other
2 departments, boards, and commissions when the service is not related to the
3 maintenance, and construction and planning, of the physical properties of the state.
4 The department may not authorize construction work for any state office facility in
5 the city of Madison after May 11, 1990, unless the department first provides suitable
6 space for a child care center primarily for use by children of state employees.

7 **SECTION 97.** 16.85 (2) of the statutes, as affected by 2011 Wisconsin Act 7, is
8 amended to read:

9 16.85 (2) To furnish engineering, architectural, project management, and other
10 building construction services whenever requisitions therefor are presented to the
11 department by any agency or the University of Wisconsin-Madison. The department
12 may deposit moneys received from the provision of these services in the account
13 under s. 20.505 (1) (kc) or in the general fund as general purpose revenue — earned.
14 In this subsection, “agency” means an office, department, independent agency,
15 institution of higher education, association, society, or other body in state
16 government created or authorized to be created by the constitution or any law, which
17 is entitled to expend moneys appropriated by law, including the legislature and the
18 courts, but not including an authority created in subch. II of ch. 114 or subch. III of
19 ch. 149 or in ch. 37, 52, 231, 233, 234, 237, 238, or 279.

20 **SECTION 98.** 16.85 (5) of the statutes is amended to read:

21 16.85 (5) To promote the use of energy conservation methods in state-owned
22 facilities and facilities owned by the University of Wisconsin-Madison, to implement
23 and refine a statewide energy monitoring system and to develop and implement
24 initiatives of replacing fossil fuels with renewable energy fuels.

25 **SECTION 99.** 16.85 (7) of the statutes is amended to read:

1 16.85 (7) To rebuild and repair discarded machinery of the several state
2 institutions and the University of Wisconsin-Madison when found feasible, and put
3 the same back into service in the same department or at the university or in any other
4 state department or the university, and upon requisition to furnish services and
5 material and loan equipment at fair rentals based on the cost thereof, in connection
6 with the construction, operation and maintenance of heating and power plants,
7 utilities and equipment.

8 **SECTION 100.** 16.85 (10) of the statutes is amended to read:

9 16.85 (10) To prepare in cooperation with the state agencies concerned and
10 with the University of Wisconsin-Madison, plans for the future growth and
11 development of various state institutions and to serve as technical adviser to the
12 building commission in connection with the development of the state long-range
13 building program provided in ss. 13.48 and 13.482.

14 **SECTION 101.** 16.85 (12) of the statutes is amended to read:

15 16.85 (12) To review and approve plans and specifications for any building or
16 structure that is constructed for the benefit of the University of Wisconsin System
17 or any institution thereof, and to periodically review the progress of any such
18 building or structure during construction to assure compliance with the approved
19 plans and specifications. This subsection does not apply to any building, structure,
20 or facility that is constructed, remodeled, repaired, renewed, or expanded for the
21 University of Wisconsin-Madison if the project is funded entirely from sources other
22 than general purpose revenue or general fund supported borrowing.

23 **SECTION 102.** 16.851 of the statutes is amended to read:

24 **16.851 Plans for state and university buildings, structures or facilities.**

25 Except as the department otherwise provides by rule, records of the department and

1 the University of Wisconsin-Madison containing plans or specifications for any
2 state-owned or state-leased or any university-owned or university-leased building,
3 structure or facility, or any proposed state-owned or state-leased or
4 university-owned or university-leased building, structure or facility, are not subject
5 to the right of public inspection or copying under s. 19.35 (1). If the department or
6 the University of Wisconsin-Madison transfers any records containing any such
7 plans or specifications to any other authority as defined in s. 19.32 (1), the
8 department or university shall require the authority to agree in writing not to make
9 the record available for public inspection or copying except as the department
10 otherwise permits by rule.

11 **SECTION 103.** 16.8511 of the statutes is amended to read:

12 **16.8511 Secretary of administration; powers, duties.** (1) The secretary
13 or the secretary's designated assistants shall make a biennial inspection of each
14 building of each institution of the state and the University of Wisconsin-Madison.
15 The secretary may delegate this responsibility to the board, commission or officer in
16 charge of such institution.

17 (2) The secretary may delegate any of the work under this subchapter to the
18 various state agencies or to the University of Wisconsin-Madison when the secretary
19 determines that the best interests of the state or the university will be served. All
20 such delegation will be in writing and accompanied by the proper rules and
21 guidelines the agencies or the university must follow to ensure performance to the
22 satisfaction of the secretary.

23 **SECTION 104.** 16.855 (2) (intro.) of the statutes is amended to read:

SECTION 104

1 16.855 (2) (intro.) Except for projects authorized under s. 16.858, whenever the
2 estimated construction cost of a project exceeds \$40,000, or if less and in the best
3 interest of the state or the University of Wisconsin-Madison, the department shall:

4 **SECTION 105.** 16.855 (2) (b) 2. of the statutes is amended to read:

5 16.855 (2) (b) 2. If the federal government participates in a state or University
6 of Wisconsin-Madison project, the bid guarantee required in this paragraph
7 controls, unless the federal government makes a specific provision for a different bid
8 guarantee.

9 **SECTION 106.** 16.855 (5) of the statutes is amended to read:

10 16.855 (5) Any or all bids may be rejected if, in the opinion of the department,
11 it is in the best interest of the state or the University of Wisconsin-Madison. The
12 reasons for rejection shall be given to the bidder or bidders in writing.

13 **SECTION 107.** 16.855 (7) of the statutes is amended to read:

14 16.855 (7) The department may issue contract change orders, if they are
15 deemed to be in the best interests of the state or the University of
16 Wisconsin-Madison.

17 **SECTION 108.** 16.855 (10) of the statutes is amended to read:

18 16.855 (10) When the department believes that it is in the best interests of the
19 state or the University of Wisconsin-Madison to contract for certain articles or
20 materials available from only one source, it may contract for said articles or
21 materials without the usual statutory procedure, after a publication of a class 1
22 notice, under ch. 985, in the official state newspaper.

23 **SECTION 109.** 16.855 (13) (c) of the statutes is amended to read:

24 16.855 (13) (c) Changes may be made in the list of subcontractors, with the
25 agreement of the department and the prime contractor, when in the opinion of the

1 department it is in the best interests of the state or the University of
2 Wisconsin-Madison to require the change.

3 **SECTION 110.** 16.855 (14) (b) of the statutes is amended to read:

4 16.855 (14) (b) The state is and the University of Wisconsin-Madison are not
5 liable to a prime contractor for damage from delay caused by another prime
6 contractor if the department or the university takes reasonable action to require the
7 delaying prime contractor to comply with its contract. If the state or the university
8 is not liable under this paragraph, the delayed prime contractor may bring an action
9 for damages against the delaying prime contractor.

10 **SECTION 111.** 16.855 (16) (a) of the statutes is amended to read:

11 16.855 (16) (a) This section does not apply to contracts between the state or the
12 University of Wisconsin-Madison and federal government or any agency thereof, or
13 with any political subdivision of the state. Subject to the approval of the governor,
14 the requirements of this section may be waived in emergency situations involving the
15 public health, welfare or safety or with respect to contracting with public utilities,
16 but only when any such waiver is deemed by the governor to be in the best interests
17 of the state or the university.

18 **SECTION 112.** 16.855 (16) (b) 2. of the statutes is amended to read:

19 16.855 (16) (b) 2. In emergency situations, the governor may approve repairs
20 and construction of a building, structure, or facility in lieu of building commission
21 approval under s. 13.48 (10), and for such purposes, may authorize the expenditure
22 of up to \$500,000 from the state building trust fund or from other available moneys
23 appropriated to an agency or other available moneys of the University of
24 Wisconsin-Madison derived from any revenue source. The governor may delegate
25 to the secretary the authority to grant approvals under this subdivision. The

SECTION 112

1 governor shall report any such authorization to the building commission at its next
2 regular meeting following the authorization. In this subdivision, "emergency"
3 means any natural or human-caused situation that results in or may result in
4 substantial injury or harm to the population or substantial damage to or loss of
5 property.

6 **SECTION 113.** 16.855 (20) of the statutes is amended to read:

7 16.855 (20) This section does not apply to construction work performed by
8 University of Wisconsin System or University of Wisconsin-Madison students when
9 the construction work performed is a part of a curriculum and where the work is
10 course-related for the student involved. Prior approval of the building commission
11 must be obtained for all construction projects to be performed by University of
12 Wisconsin System or University of Wisconsin-Madison students, except projects
13 specified in s. 13.48 (10) (c).

14 **SECTION 114.** 16.855 (22) of the statutes is amended to read:

15 16.855 (22) The provisions of this section, except sub. (10m), do not apply to
16 construction work for any project that does not require the prior approval of the
17 building commission under s. 13.48 (10) (a) if the project is constructed in accordance
18 with policies and procedures prescribed by the building commission under s. 13.48
19 (29). The provisions of this section do not apply to construction work for any project
20 by or for the University of Wisconsin-Madison that is funded entirely from sources
21 other than general purpose revenue or general fund supported borrowing. If the
22 estimated construction cost of any project, other than a University of
23 Wisconsin-Madison project that is exempted under this subsection, is at least
24 \$40,000, and the building commission elects to utilize the procedures prescribed
25 under s. 13.48 (29) to construct the project, the department shall provide adequate

1 public notice of the project and the procedures to be utilized to construct the project
2 on a publicly accessible computer site.

3 **SECTION 115.** 16.865 (1) (a) of the statutes is amended to read:

4 16.865 (1) (a) ~~Protect~~ Except as provided in sub. (10), protect the state and the
5 University of Wisconsin-Madison from losses which are catastrophic in nature and
6 minimize total cost to the state of all activities related to the control of accidental loss.

7 **SECTION 116.** 16.865 (2) of the statutes is amended to read:

8 16.865 (2) ~~Identify~~ Except as provided in sub. (10), identify and evaluate
9 exposure to loss to the state, ~~its~~ and University of Wisconsin-Madison and their
10 employees or injury to the public by reason of fire or other accidents and fortuitous
11 events at state-owned and the university-owned properties or facilities.

12 **SECTION 117.** 16.865 (3) of the statutes is amended to read:

13 16.865 (3) ~~Recommend~~ Except as provided in sub. (10), recommend changes in
14 procedures, program conditions or capital improvement for all agencies and the
15 University of Wisconsin-Madison which would satisfactorily eliminate or reduce the
16 existing exposure.

17 **SECTION 118.** 16.865 (4) of the statutes is amended to read:

18 16.865 (4) ~~Manage the state employees'~~ Except as provided in sub. (10),
19 manage the worker's compensation program for state and University of
20 Wisconsin-Madison employees and the statewide self-funded programs to protect
21 the state and the University of Wisconsin-Madison from losses of and damage to
22 state property and liability.

23 **SECTION 119.** 16.865 (5) of the statutes is amended to read:

24 16.865 (5) ~~Arrange~~ Except as provided in sub. (10), arrange appropriate
25 insurance contracts for the transfer of risk of loss on the part of the state and the

1 University of Wisconsin-Madison or ~~its~~ their employees, to the extent such loss
2 cannot reasonably be assumed by the individual agencies or the university or the
3 self-funded programs. The placement of insurance may be by private negotiation
4 rather than competitive bid, if such insurance has a restricted number of interested
5 carriers. The department shall approve all insurance purchases.

6 **SECTION 120.** 16.865 (8) of the statutes, as affected by 2011 Wisconsin Act 7,
7 is amended to read:

8 16.865 (8) Annually Except as provided in sub. (10), annually in each fiscal
9 year, allocate as a charge to each agency and to the University of Wisconsin-Madison
10 a proportionate share of the estimated costs attributable to programs administered
11 by the agency or the university to be paid from the appropriation under s. 20.505 (2)
12 (k). The department may charge premiums to agencies and to the University of
13 Wisconsin-Madison to finance costs under this subsection and pay the costs from the
14 appropriation on an actual basis. The department shall deposit all collections under
15 this subsection in the appropriation account under s. 20.505 (2) (k). Costs assessed
16 under this subsection may include judgments, investigative and adjustment fees,
17 data processing and staff support costs, program administration costs, litigation
18 costs, and the cost of insurance contracts under sub. (5). In this subsection, "agency"
19 means an office, department, independent agency, institution of higher education,
20 association, society, or other body in state government created or authorized to be
21 created by the constitution or any law, that is entitled to expend moneys
22 appropriated by law, including the legislature and the courts, but not including an
23 authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 37, 52, 231,
24 232, 233, 234, 235, 237, 238, or 279.

25 **SECTION 121.** 16.865 (10) of the statutes is created to read:

1 16.865 (10) This section does not apply to the University of Wisconsin-Madison
2 for any fiscal year if the University of Wisconsin-Madison, no later than December
3 31 preceding the beginning of that fiscal year, provides written notice to the
4 department that it has elected not to be governed by this section. Any notice of
5 nonelection applies to all subsequent fiscal years unless the University of
6 Wisconsin-Madison, no later than December 31 preceding the beginning of a fiscal
7 year, provides written notice to the department that it has elected to be governed by
8 this section. Any notice of election applies to all subsequent fiscal years unless the
9 University of Wisconsin-Madison again provides timely notice of nonelection.

10 **SECTION 122.** 16.87 (2) (a) of the statutes is amended to read:

11 16.87 (2) (a) A contract for engineering services or architectural services or a
12 contract involving an expenditure of \$10,000 or more for construction work, or
13 \$30,000 or more for limited trades work, to be done for or furnished to the state or
14 a department, board, commission, or officer of the state or the University of
15 Wisconsin-Madison is exempt from the requirements of ss. 16.705 and 16.75.

16 **SECTION 123.** 16.87 (5) of the statutes is created to read:

17 16.87 (5) This subsection does not apply to any project for the University of
18 Wisconsin-Madison that is funded entirely from sources other than general purpose
19 revenue or general fund supported borrowing.

20 **SECTION 124.** 16.875 of the statutes is amended to read:

21 **16.875 Setoffs.** All amounts owed by this state or the University of
22 Wisconsin-Madison under this subchapter are subject to being set off under s. 73.12.

23 **SECTION 125.** 16.89 of the statutes is amended to read:

24 **16.89 Construction and services controlled by this chapter.** No
25 department, independent agency, constitutional office or agent of the state shall

1 employ engineering, architectural or allied services or expend money for
2 construction purposes on behalf of the state, except as provided in this chapter. The
3 University of Wisconsin-Madison shall not employ engineering, architectural, or
4 allied services or expend money for construction purposes on behalf of the university,
5 except as provided in this chapter and except that the university may engage such
6 employment for any project that is financed entirely from sources other than general
7 purpose revenue or general fund supported borrowing.

8 **SECTION 126.** 16.891 (1) (b) of the statutes is amended to read:

9 16.891 (1) (b) "Total cost of occupancy" means the cost to operate and maintain
10 the physical plant of a building, structure, or facility, including administrative costs
11 of an agency or the University of Wisconsin-Madison attributable to operation and
12 maintenance of a building, structure, or facility, together with any debt service costs
13 associated with the building, structure, or facility, computed in the manner
14 prescribed by the department.

15 **SECTION 127.** 16.891 (2) of the statutes is amended to read:

16 16.891 (2) Except as provided in sub. (4), each agency and the University of
17 Wisconsin-Madison shall report to the department no later than October 1 of each
18 year concerning the total cost of occupancy of each state-owned or university-owned
19 building, structure, and facility, excluding public highways and bridges, under the
20 jurisdiction of the agency or university for the preceding fiscal year. The report shall
21 be made in a format prescribed by the department. Beginning in 2009, if a building,
22 structure, or facility is a part of an institution, the agency having jurisdiction of the
23 institution or the University of Wisconsin-Madison shall also include in its report
24 the total cost of occupancy of all of the buildings, structures, and facilities within the
25 institution.

1 **SECTION 128.** 16.891 (4) of the statutes is amended to read:

2 16.891 (4) The department may exempt an agency or the University of
3 Wisconsin-Madison from compliance with the reporting requirement under sub. (2)
4 with respect to any building, structure, or facility that the department determines
5 to have a minimal total cost of occupancy.

6 **SECTION 129.** 16.895 (title) of the statutes is amended to read:

7 **16.895 (title) ~~State-owned~~ State- or university-owned or operated**
8 **heating, cooling or power plants.**

9 **SECTION 130.** 16.895 (2) (a) of the statutes is amended to read:

10 16.895 (2) (a) Prepare all specifications, bid and administer contracts for the
11 purchase of fuels for all ~~state-owned or operated~~ heating, cooling or power plants
12 that are owned or operated by the state or the University of Wisconsin-Madison.

13 **SECTION 131.** 16.895 (2) (c) of the statutes is amended to read:

14 16.895 (2) (c) Determine the method of operation of ~~state-owned~~ state- or
15 university-owned or operated heating, cooling or power plants, including
16 maintenance standards and policies concerning utilization of alternative fuels and
17 energy conservation.

18 **SECTION 132.** 16.895 (2) (d) of the statutes is amended to read:

19 16.895 (2) (d) Assure compliance with federal and state laws, federal
20 regulations and state administrative rules applicable to ~~state-owned~~ state- or
21 university-owned or operated heating, cooling or power plants.

22 **SECTION 133.** 16.895 (2) (e) of the statutes is amended to read:

23 16.895 (2) (e) Delegate to any agency or to the University of
24 Wisconsin-Madison the department's authority under par. (c) or (d) and approve all
25 expenditures of the agency or university under par. (c) or (d).

SECTION 134

SECTION 134. 16.895 (2) (g) of the statutes is amended to read:

16.895 (2) (g) Provide for emissions testing, waste product disposal and fuel quality testing at ~~state-owned~~ state- or university-owned or operated heating, cooling or power plants, and secure permits that are required for operation of the plants.

SECTION 135. 16.895 (2) (h) of the statutes is amended to read:

16.895 (2) (h) Periodically assess to agencies and the University of Wisconsin-Madison their proportionate cost of the expenses incurred by the department under this subsection and ss. 16.85 (4), 16.90, 16.91 and 16.92 in accordance with a method of apportionment determined by the department.

SECTION 136. 16.897 of the statutes is amended to read:

16.897 Space and water heating systems. In planning and designing space or water heating systems for new or existing state facilities and facilities of the University of Wisconsin-Madison, the department shall ensure that geothermal technologies are utilized to the greatest extent that is cost-effective and technically feasible.

SECTION 137. 16.90 (title) of the statutes is amended to read:

16.90 (title) Fuel for state and university heating, cooling or power plants.

SECTION 138. 16.90 (2) (a) of the statutes is amended to read:

16.90 (2) (a) Prepare all specifications for contracts for the purchase of fuel for each ~~state-owned or operated~~ heating, cooling or power plant that is owned or operated by the state or the University of Wisconsin-Madison. All such specifications where feasible shall provide for purchase of such fuel on a heating value and quality basis and may provide for an adjustment of the base price of any